



Jacob S. Frumkin
Associate

Reply to New York Office
Writer's Direct Line: 646-563-8944
Writer's Direct Fax: 646-563-7944
Writer's E-Mail: jfrumkin@coleschotz.com

1325 Avenue of the Americas
19th Floor
New York, NY 10019
212-752-8000 212-752-8393 fax

—
New Jersey
—
Delaware
—
Maryland
—
Texas
—
Florida

May 21, 2019

Via ECF and E-mail (garrity.chambers@nysb.uscourts.gov)

The Honorable James L. Garrity, Jr.
United States Bankruptcy Judge
United States Bankruptcy Court for the
Southern District of New York
One Bowling Green
New York, NY 10004-1408

Re: In re Penny Ann Bradley, Case No. 18-10122 (JLG)

Dear Judge Garrity:

This firm is counsel to Atlas Union Corp. ("Atlas") in the above-referenced chapter 11 case of Penny Ann Bradley (the "Debtor"). In accordance with the Court's directive, *see* Docket No. 91, Atlas hereby provides a status update to the Court with respect to the *Order Pursuant to Bankruptcy Rule 2004 (I) Authorizing the issuance of a Subpoena for the Provision of Testimony and (II) Compelling the Production of Documents by the Debtor* [Docket No. 85] (the "2004 Order"), which was entered on March 28, 2019.

On March 28, 2019, in accordance with the 2004 Order, Atlas e-mailed a *Subpoena for Rule 2004 Examination* (the "Subpoena") to counsel for the Debtor. On March 29, 2019, counsel for the Debtor accepted service of the Subpoena on behalf of the Debtor. The Subpoena required the Debtor to produce responsive documents on or before April 17, 2019 and to appear for a deposition on May 8, 2019. On April 12, 2019, counsel for the Debtor e-mailed counsel for Atlas and NSM82, LLC ("NSM") requesting that Atlas's deposition of the Debtor be adjourned to May 20, 2019 so that she could be deposed on the same day by both Atlas and NSM. On April 16, 2019, during the Debtor's section 341 meeting, Atlas agreed to extend the Debtor's deadline to produce documents to April 28, 2019 and adjourn her deposition date to May 20, 2019.

On April 29, 2019, the Debtor made an initial production to Atlas, but indicated that the production was incomplete. On that same day, counsel for the Debtor sent an e-mail to me and my colleague stating that the Debtor "has been working hard, in good faith, to comply with the discovery demands in a timely manner." Since that date, counsel for the Debtor has sent several e-mail updates regarding the production, stating, in sum and substance, that the Debtor was working "diligently" and "hard" on completing her production. For example, on May 6, 2019, counsel for

Cole Schotz P.C.

The Honorable James L. Garrity, Jr.
May 21, 2019
Page 2

the Debtor stated that the Debtor “has been working hard on this – we’re fully aware that the balance of documents needs to be produced quickly.”

On May 10, 2019, given the lack of meaningful production received by that date, and the limited time amount of time Atlas would have to review additional documents, if any, produced by the Debtor before the scheduled May 20, 2019 deposition date, Atlas determined to adjourn the Debtor’s deposition to a date to be set once the production is complete. Since that date, however, Atlas has not received any additional documents. It should be noted that more than a month has passed since the document production deadline set forth in the Subpoena.¹

Atlas is happy to answer any additional questions Your Honor may have regarding the status of the 2004 Order, whether via letter, teleconference or at the hearing scheduled for May 30, 2019, at 10:00 a.m. ET.²

Respectfully submitted,

COLE SCHOTZ P.C.

/s/ Jacob S. Frumkin

Jacob S. Frumkin

cc: Daniel S. Alter, Esq.
Kenneth L. Baum, Esq.
Richard Levy, Jr., Esq.

¹ It also should be noted that the Debtor has yet to file any monthly operating reports.

² On May 21, 2019, counsel for the Debtor requested Atlas’s consent to an adjournment of the May 30, 2019 hearing. Atlas takes no position with respect to such request.